GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:4517
ANSWERED ON:12.08.2016
Women Directors
Ram Shri Vishnu Dayal;Subbareddy Shri Yerram Venkata

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether the Government is aware that the many promoters of companies have appointed their wives or some other relatives as company director with view to satisfy the rule of inducting at least one woman member in their company;

(b) if so, whether such companies have been identified and if so, the details in this regard; and

(c) the policy being framed by the Government to check this practice?

Answer

THE MINISTER OF STATE (SHRI ARJUN RAM MEGHWAL)
IN THE MINISTRY OF CORPORATE AFFAIRS (???? ?????? ??? ??????)
???????? ????? ???????? ??? ????? ??????
(a) to (c):- Section 149 of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 prescribes for every listed company and every public company having paid-up share capital of not less than Rupees one hundred crore or turnover of Rupees three hundred crore or more to appoint at least one woman director. There is no prohibition for appointment of a female relative of a director on the board of a company. Further, there is no proposal to prescribe any such restriction.
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